

Brunel Oversight Board Meeting Minutes

Purpose: To review Brunel/Client progress agree next steps

Date and time: Thursday 2nd December 2021, 10:30 – 12.15

Location: Microsoft teams

Pension Committee Representatives		
Paul Crossley	Avon	
Tim Butcher	Buckinghamshire	
Jayne Kirkham	Cornwall	
James Morrish	Devon	
John Beesley	Dorset	
Robert Gould	EAPF	Chair
Lynden Stowe	Gloucestershire	
Kevin Bulmer	Oxfordshire	Vice Chair
Sarah Payne	Somerset	
Richard Britton	Wiltshire	

Member representative observers		
Andy Bowman	Scheme member rep.	
Ian Brindley	Scheme member rep.	

Fund Officers and Representatives		
Tony Bartlett	Avon	
Julie Edwards	Buckinghamshire	
Sean Johns	Cornwall	
Mark Gayler	Devon	
David Wilkes	Dorset	Apologies
Graham Cook	EAPF	
Matthew Trebilcock	Gloucestershire	
Sean Collins	Oxfordshire	
Jenny Devine	Wiltshire	Apologies
Liam Robson	Wiltshire	
Nick Buckland	Mercer – Client Side Executive	Minutes
Bijal Patel	Mercer – Client Side	Minutes

Brunel Pension Partnership Ltd		
Denise Le Gal	Brunel, Chair	
James Russell-Stracey	Brunel, CSO	
Joe Webster	Brunel, COO	
Laura Chappell	Brunel, CEO	Apologies
David Vickers	Brunel, CIO	
Chris Crozier	Brunel, CRM	
Luke O'Donnell	Brunel, CRM	
Bethan Jones	Brunel, CRA	
Faith Ward	Brunel	

Item	Agenda	Paper provided	Action
1	Election of Chair and Vice Chair of BOB	Verbal	
	<p>NB opened the meeting by explaining that the annual election of the Chair and Vice Chair was due. NB requested any nominees for the Chair. KB nominated RG and with no objections, RB was duly re-elected as Chair.</p> <p>RG nominated KB as Vice Chair and with no other nominations, KB was duly re-elected as Vice Chair.</p>		
2	Confirm agenda Requests for Urgent or items for Information Any new declarations of conflicts of interest	Agenda Verbal C of Interest policy	
	<p>Apologies were received from LC, who was unable to join due to illness. It was noted that JW would be standing in for LC and cover the CEO Report agenda item. Apologies were also received from DW and JD.</p> <p>It was noted that there were no new declarations of conflicts of interest.</p>		
3	Review 23 September BOB minutes	Minutes	
	The minutes of the previous meeting were agreed.		
4	Client assurance framework (including Investment Update)	Paper	
	SJ presented the Assurance Report and the following was noted:		

	<ul style="list-style-type: none"> • Fund launches/transition activity – as at 30 September, Brunel had £23.9bn of funds under management, an increase of £3.3bn over the quarter. Cycle 3 private markets due to launch in March 2022 • Performance – six out of eight active strategies were ahead of benchmarks over the quarter • Additional benefits – attendance at the London Stock Exchange and COP26, testament of the Partnership • Risk management – client risk is currently amber due to the ongoing budget work • Costs and saving – as at March 21 annual savings of £23.5m and tax savings being realised and growing • Other items – progress made with selecting new vendor as previously discussed. Helen Price, Head of Stewardship, won the International Corporate Governance Network Rising Star Award <p>LS noted that the narrative in the CEO Report of the change under risk management was missing but thanked JW for providing an explanation.</p> <p>JB queried the support that staff are receiving as a result of Covid19. JW provided reassurance that support continues to be provided. Infrastructure was provided during lockdown. The office is now open, with Covid19 restrictions in place, for those who wish to go in. Wellbeing support has also been provided as required.</p> <p>JK queried the pensions cost recharge agreement shown in the accounts. JW explained that the calculations are underpinned by actuarial assumptions and the cost can be recognised in the accounts.</p>	
7	Shareholder update	
	<p>DLG gave a shareholder update and the following was noted:</p> <ul style="list-style-type: none"> • Shareholder meetings are held twice a year • Last meeting was positive, the nomination committee was launched to assist with succession planning and the appraisal process was reviewed • Recent changes to the NEDs has strengthened the board • An away day was held in November; budget discussed, objectives reviewed and re-introduced the investment committee which meet quarterly with DV • Liz McKenzie (LM) and DLG plan to alternate attendance at BOB to give the shareholder update, with DLG attending the next meeting and LM attending the two meetings after that • Continue with visits to Clients and Committee Representatives • Congratulated JD on her new role as Head of Pensions at Wiltshire • DLG and RG are part of the Princes of Wales sustainable asset network and attended the annual summit where positive steps were noted 	

8	Investment Topic Paper	Paper
	<p>DV presented the investment topic paper on China, a copy of which was shared ahead of the meeting and shared on screen. The following points were noted:</p> <ul style="list-style-type: none"> • Pg1 – past and predicted GDP growth shows China is far ahead; greatest leap forward on internet use and mobile share of e-commerce • Pg 2 – reduced personal freedoms, consequence of which reflected in the indices • Pg 3 – illustrated the China revenue exposure in comparison to China exposure, i.e. can't disassociate from the country • Pg 4 – China project timeline highlighted the work done and ongoing • Pg5 – set out the initial risks • Pg 6 – set out work carried out on ESG data, including the use of trucost and Sustainalytics • Pg 7 – illustrated the effect of human rights in the supply chain • Pg 8 – discussed the governance issues impacting companies • Pg 9 - data privacy issues discussed, which isn't unique to China • Pg 12 – illustrated the climate impact on China <p>JK queried the engagement with China and FW noted that the latest quarterly report includes a case study on China. FW also noted that she has previously been to China to engage with asset managers and the RI sub-group have received an update from Hermes on their engagement with China.</p>	
9	COP26 Review/Feedback	Paper
	<p>FW presented her feedback on COP26 , The following points were noted:</p> <ul style="list-style-type: none"> • An amazing experience best described as an emotional rollercoaster • A lot of pledges and frameworks to take forward • Glasgow climate pact (can be circulated upon request) which included nearly 200 countries and the first time fossil fuels discussed • Plan to move from a 5 year review to a review in 2022 and potential on-going annual review • Progress on aspects of Article 6; but no agreement on carbon pricing • Mandatory transition plan in UK • Positive conversations with business leaders • International Sustainability Standards Board created to provide global ESG reporting guidelines, currently voluntary • Slide 2 set out the panel participation that FW was involved in and slide 3 detailed some of the people FW met 	

	<p>FW noted the next step was for her to produce a summary of the outcomes covering the main agreements and investment implications.</p> <p>JB commended the work done by Brunel in particular on RI and the LGPS and questioned how to get across the message of work done more strongly. FW noted she would ask Laura Hobbs to raise this at the LGPS cross-pool meeting on Monday. She would also explore the possibility of a joint CEO pool letter. GC agreed to raise this at the Scheme Advisory board meeting in January and JB requested GC liaises with him on this.</p>	<p>FW</p> <p>GC</p>
10	AOB	
	<p>The following BOB meeting dates for 2022 were noted as follows:</p> <ul style="list-style-type: none"> • 27 January 2022 – budget focus • 17 March 2022 • 9 June 2022 • 8 September 2022 • 15 December 2022 <p>Meeting close: 12.15.</p>	